



ROLE OF GOVERNMENT FOR PROMOTING WOMEN ENTREPRENEURS IN KARNATAKA STATE

Mrs. Preeti Hegde¹, Mrs. Malathi¹

¹ Assistant Professor, Commerce, Dr. B. B. Hegde First Grade College, Kundapura

ABSTRACT

“Woman is the companion of man, gifted with equal mental capacity. If by strength is meant moral power, then woman is immeasurably man’s superior. If nonviolence is the law of our being, the future is with women” - Mahatma Gandhiji.

Entrepreneurship is a key to economic development of a country. Women entrepreneurs tend to be highly motivated & self directed, they also exhibit a high internal locus of control & achievement. In India several institutions are devoted in prompting women entrepreneurship. The Government of India has taken an active step towards Empowering Women Entrepreneurs in all the business areas. Women are almost one half of the world’s population having enormous potential but being underutilized or unutilized for the economic development of the nation. There is need to strengthen and streamline the role of women in the development of various sectors by harnessing their power towards nation building and to attain accelerated economic growth. Majority of women do not undertake entrepreneurial ventures. The Women Entrepreneurship Platform (WEP) is a unified access portal which brings together women from different regions of India, across economies to realize their entrepreneurial aspirations. Institutions provide several schemes for initiation and sustenance of startups, specifically managed by Women entrepreneurs. The Ministry of Micro, Small and Medium Enterprises of Government of India has opened women’s cell to provide Assistance to women entrepreneurs. The Women and Child Development department has launched several Income generating schemes. In that they are providing assistance in setting up the training cum income generating activities for the needy women Entrepreneurs. This Paper aims to understand the different types of institutions in National, State and non-government level institutions, which are supporting women entrepreneurs. It doesn’t only deal with number of institutions helping or supporting women entrepreneurs but also evaluates the various schemes and benefits for empowering women in the field of entrepreneurship.

KEYWORDS: Institutions, Schemes, Benefits, Women, Promotions

INTRODUCTION

The process of progress Women Entrepreneurship in Karnataka is a considerable subject matter in making inquiries in relative to women studies in any vicinity. This paper deals with the women entrepreneurs in Karnataka relating to women entrepreneurship. Women entrepreneurs occupy an important position in the industrial economy of the country because of low investment requirement, high potential for gainful employment generation and wider dispersal of industries in rural and urban areas. The economic development of advanced countries of the world has been attributed to the growth of women entrepreneurs. In advanced countries the majority of small enterprises have been managed by women. There are over five million women entrepreneurs constituting one fourth of all entrepreneurs in China. Keeping the experience of Western economies in mind, the Government of India has set up various institutions to promote women entrepreneurial activities [1]. They offer a wide range of incentives Pacific Business Review International measures to women entrepreneur for providing an impetus to industrialization. In India there are a number of institutions established for the development of women entrepreneurship, namely, National Institute for Entrepreneurship and Small Business Development (NIESBUD), Entrepreneurship Development Institute of India (EDII), National Bank for Agriculture and Rural Development (NABARD), Federation of

Indian Women Entrepreneur (FASME), and World Assembly of Small and Medium Entrepreneur (WASME), District Financial Institutions (DFI) in general and Small Industries Development of Bank of India (SIDBI), etc. SIDBI has schemes to develop effective linkage with many leading national and international agencies to pursue promotional and developmental activities of SSI units in Karnataka. SIDBI and Karnataka State Financial Corporation (KSFC) have together launched many programmes for the growth of Women. Entrepreneurship in Karnataka, to motivate them in establishing new enterprises and to upgrade and develop the existing ones[2]. In Karnataka the responsibility of women entrepreneurial development has been taken up by the Department of Industries and Commerce which operates through District Industries Center (DIC), Technical Consultancy Service Organization of Karnataka (TECSOK), Karnataka Small Scale Industries Development Corporation (KSSIDC), Karnataka Industrial Area Development Board (KIADB), Karnataka State Finance Corporation (KSFC), Center for Entrepreneurship Development of Karnataka (CEDOK) and Karnataka State Women Development Corporation (KSWDC). In October 2010, the KSIIDC set-up a new helpline for women entrepreneurs. It offers guidance, facilitates loans and training in different skills under its new scheme called ‘Udyogini’; and also motivates women entrepreneurs in establishing new enterprises and to upgrade and develop the

existing ones.

LITERATURE REVIEW

Review of literature helps to gain the fruitful knowledge on the topic "Role of government for promoting women entrepreneurs in Karnataka state". As the topic focuses on women and their participation in business enterprises with the support getting from government of India through its schemes, till date various books and journals have been published articles related to women entrepreneurs in India and problems of the women entrepreneurs and so on.

MeenuGoyal and Jai Prakash(2011), In this study examined the importance of women entrepreneurs and the problems faced by them. In various circumstances and the reasons for slow progress of women entrepreneurs in India. Also the support of government for the progress of women entrepreneurship.

Sanjay Koushik ;(2013), In This article the study is on the challenges faced by the women entrepreneurs in India .And the time slot they are working for business with proper decisions. Problems of both personal as well as professional barriers were examined and also mentioned the support to be provided by the government through their schemes.

Ms.YogithaSharma(2013),In this study examined about women's to become entrepreneurs and the support provided in present scenario taken by the government. It also creates awareness challenges faced and government assistance to achieve progress.

Dr.A.B.Siddiqui(2012); In this article study is on about the women entrepreneurship and also the empowerment of women's and the problems encounter by the women entrepreneurs and the uplift of education for women.

OBJECTIVES:

- To study the development of women entrepreneurs.
- To study various policies and schemes initiated by the government to encourage women entrepreneurs.
- To provide knowledge regarding the financial assistance.
- Organizing skill development training programme through government / NGOs for Women to take up self employment.
- To study the support from government of India to the women entrepreneurs.

RESEARCH METHDOLOGY

The prepared paper is a descriptive study of women entrepreneurship and the government Support. The secondary data and related information have been collected to meet the research objectives, the researcher employed desktop research by reviewing to relevant texts, journals, magazines, newspapers and websites of private as well as government sites. In depth literature review helped the researcher.

LIMITATION

- This study was focused only women entrepreneurs and ignores women business officials.
- The study is concept oriented and has used only secondary

data.

In today's world, women entrepreneurs are playing a very vital role and they have become an important part of the global business environment and it's really important for the sustained economic development and social progress.

Policies and Schemes for Women Entrepreneurs in India

There are a number of organizations In India like the Micro, Small & Medium Enterprises development organisations, various State Small Industries Development Corporations, the Nationalised banks and even NGOs who are conducting various programmes including Entrepreneurship Development Programmes (EDPs) to cater to the needs of potential women entrepreneurs, who may not have adequate educational background and skills.

DC (MSME) has also opened a Women Cell to provide coordination and assistance to women entrepreneurs who are facing specific problems. These schemes are a great opening to the women especially in the backward and rural sector. They also provide assistance at central and state level for setting up training-cum-income generating activities for needy women to make them economically independent. Small Industries Development Bank of India (SIDBI) has also been implementing special schemes for women entrepreneurs. In addition to the special schemes for women entrepreneurs, various government schemes for MSMEs also provide certain special incentives and concessions for women entrepreneurs.

- The most enterprising scheme is under Prime Minister's RozgarYojana (PMRY), preference is given to women beneficiaries. The government has also made several relaxations for women to facilitate the participation of women beneficiaries in this scheme.
- The MSE Cluster Development Programme by Ministry of MSME, the contribution from the Ministry of MSME varies between 30-80% of the total project in case of hard intervention, but in the case of clusters owned and managed by women entrepreneurs, contribution of the M/o MSME could be upto 90% of the project cost. Similarly, under the Credit Guarantee Fund Scheme for Micro and Small Enterprises, the guarantee cover is generally available upto 75% of the loans extended; however the extent of guarantee cover is 80% for MSEs operated and/ or owned by women.
- The efforts of government and its different agencies are supplemented by NGOs and associations that are playing an equally important role in facilitating women empowerment.

Existing policies for women entrepreneurship development in India

Various policies of MSME for women's entrepreneurship development play a major role in this process. After reviewing existing policies and the way they impinge on women enterprises, the key findings can be classified under the following 3 headings:

- **Regulatory policies**

Policies concerned with ensuring compliance, by individual women entrepreneurs, firms, with laws, and the rules and regulations laid down under those laws for various aspects of a business are classified as regulatory policies. Those are related to Registration and incorporation, licensing for production and quotas for scarce raw materials, taxation, labour wages, welfare and safety, environmental protection, consumer protection, quality and standards and specific subsector laws and rules, etc.

- **Promotional policies**

Policies are related to self-employment and entrepreneurship these are directly or indirectly to women for promotion of self-employment and entrepreneurship, specific subsectors, traditional industries and industries in backward regions are classified as promotional policies.

- **Credit policies**

Policies that have been applied directly or indirectly to women for credit and finance support for business. Finance support and institutional arrangement for credit and finance support. It has been observed from the above mentioned schemes and policies have revolutionized the women entrepreneurship spirit by boosting up the moral, effectiveness and efficiency of women entrepreneurs.

The State Government Sponsored Schemes Implemented by KSWDC:

1. Interest subsidy Scheme to Women entrepreneurs (KSFC):

This Scheme was started during 2015-16. Under this Scheme Women entrepreneurs are eligible to obtain loan of Rs. 5.00 lakhs to Rs. 200.00 lakhs from Karnataka State Financial Corporation (KSFC) to start small and medium industries and services sectors @ interest rate of 14%. Out of which 10% of interest share will be paid by Karnataka State Women's Development Corporation. This 10% interest amount will be paid up to 5 years after sanctioning of loan by KSFC. 12 months leisure period is fixed for repaying principal amount. The interest part of KSWDC will be adjusted after 4% of interest paid by the beneficiary. The interest subsidy will be applicable for a total period of 5 years from the date of sanction of loan.

2. Saviruchi:

This Scheme is being implemented from 2017-18 and was launched on 27-02-2018 in order to encourage District Streeshakthi Federations. Each Streeshakthi Federation is provided with Rs. 10.00 lakh interest free loan.

3. Annapurna Scheme

This scheme is offered by the State Bank of Mysore for those women entrepreneurs who are setting up food catering industry in order to sell packed meals, snacks, etc. The amount granted as a loan under this scheme can be used to fulfil the working capital needs of the business like buying utensils and other kitchen tools and equipment.

Under this loan, a guarantor is required along with the assets of the business being pledged as collateral security. Further,

the maximum amount of money that is granted is RS.50,000 which has to re-paid in monthly installments for 36 months, however, after the loan is sanctioned, the lender doesn't have to pay the EMI for the first month. The interest rate is determined depending upon the market rate.

4. Stree Shakti Package For Women Entrepreneurs

This scheme is offered by most of the SBI branches to women who have 50% share in the ownership of a firm or business and have taken part in the state agencies run Entrepreneurship Development Programmes (EDP). The scheme also offers a discounted rate of interest by 0.50% in case the amount of loan is more than 2 lakhs.

5. Bharatiya Mahila Bank Business Loan

This loan is a support system for budding women entrepreneurs looking to start new ventures in the fields of the retail sector, loan against property, MICRO loans, and SME loans. The maximum loan amount under this loan goes up to Rs.20 crores in case of manufacturing industries and also a concession is available to the extent of 0.25% on the interest rate and interest rates usually range from 10.15% and higher. Additionally, under the Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), there is no requirement of collateral security for a loan of up to Rs.1 crore.

6. Dena Shakti Scheme

This scheme is provided by Dena bank to those women entrepreneurs in the fields of agriculture, manufacturing, micro-credit, retail stores, or small enterprises; who are in need of financial assistance. The interest rate is also decreased by 0.25% along with the maximum loan amount being Rs.20 lakhs for retail trade; education and housing whereas Rs.50,000 under the microcredit.

7. Udyogini Scheme

This scheme is offered by Punjab and Sind Bank so as to provide women entrepreneurs involved in Agriculture, retail and small business enterprises to get loans for business at flexible terms and concessional interest rates. The maximum amount of loan under this scheme for women between the age bracket of 18-45 years is Rs.1 lakhs but your family income is also taken into consideration and is set at Rs.45,000 per annum for SC/ST women.

8. Cent Kalyani Scheme

This scheme is offered by the Central Bank of India with the aim of supporting women in starting a new venture or expanding or modifying an existing enterprise. This loan can be availed by women who are involved in village and cottage industries, micro, small and medium enterprises, self-employed women, agriculture and allied activities, retail trade, and government-sponsored programs. This scheme requires no collateral security or guarantor and charges no processing fees. And the maximum amount that can be granted under the scheme is Rs. 100 lakhs.

9. Mahila Udyam Nidhi Scheme

This scheme is launched by Punjab National Bank and aims at supporting the women entrepreneurs involved in the small scale

industries by granting them soft loans that can be repaid over a period of 10 years. Under this scheme there are different plans for beauty parlors, day care centres, purchase of auto rickshaws, two-wheelers, cars, etc. the maximum amount granted under this scheme is Rs.10 lakhs and the interest depends upon the market rates.

10. Mudra Yojana Scheme For Women

This scheme has been launched by the Govt. of India for individual women wanting to start small new enterprises and businesses like beauty parlors, tailoring units, tuition centres, etc. as well as a group of women wanting to start a venture together. The loan doesn't require any collateral security and can be availed as per 3 schemes – i. Shishu – loan amount is limited to Rs.50,000 and can be availed by those businesses that are in their initial stages. ii. Kishor – loan amount ranges between Rs.50,000 and Rs.5 lakhs and can be availed by those who have a well-established enterprise. iii. Tarun – loan amount is Rs.10 lakhs and can be availed by those businesses that are well established but require further funds for the purpose of expansion. If the loan is granted, a Mudra card will be given to you which functions the same way as a credit card however the funds available are limited to 10% of the loan amount granted to you.

11. Orient MahilaVikasYojana Scheme

This scheme is provided by Oriental Bank of Commerce to those women who hold a 51% share capital individually or jointly in a proprietary concern. No collateral security is required for loans of Rs.10 lakhs up to Rs.25 lakhs in case of small-scale industries and the period of repayment is 7 years. A concession on the interest rate of up to 2% is given.

The more beneficial bank schemes for women entrepreneurship.

All most all public sector banks have special schemes for women entrepreneurship.

The government of India established many schemes in considering the contribution of women entrepreneurs in building the startup ecosystem. There are several banks are encouraging and sanction loan for budding and real time entrepreneurs (Table). Many bank schemes are available for women empowerment. Present study selected few special and popular schemes which are really helped women entrepreneurs for their business activates and new ventures. One among the most important popular scheme from State bank of Mysore providing two different schemes namely Annapurna and Sree Shakti. Where in which women entrepreneur can avail the loan starting from Rs. 50,000 to 5 lakh. This schemes is for those who would like to start and in the field of food catering business and who undergone the EDP training from the government body.

Bharthi Mahila Bank offers schemes for Retail entrepreneurs; it provides the Micro and SME loans. Dina Shakti scheme is available for entrepreneurs engaged in agriculture, manufacturing, micro-credit, retail stores or small enterprises and interest rate is very minimal of 0.25%. Punjab national bank has

5 different schemes like PNM Mahila Smredhi, Udyam Nedhi, Shakthikaran Abhiyan, Kalyani card Scheme and Financing crèches. This bank different schemes are helping women in the venture of Butique, Parlor small retile store and providing for agricultural activities, very attractive and interesting scheme is in Punjab national bank of MahilaUdyamNidhi Scheme targeted towards the small-scale sector can avail loan up to 10 lakhs and repayable tenure is 10 years.

Cent Kalyani Scheme launched by Central Bank of India. It is available for women employed in village and cottage industries, micro, small and medium enterprises, self- employed women, agriculture and allied activities, retail trade and government sponsored programmes.

Last but not the least Mahila Bank offers a collateral free loan of upto Rupees 1 crore, covered under Credit Guarantee Trust for Micro and Small Enterprises.

Sl. No. Bank Name Special Scheme Name

1. Bank of India PriydarshiniYojana
2. Canara Bank CAN Mahila
3. Central Bank of India Cent Kalyani
4. Dena Bank Dena Shakti
5. Oriental Bank of Commerce Oriented MahilaVikasYojana
6. Punjab National Bank MahilaUdyamNidhi Scheme
7. State Bank of Mysore Stree Shakti Package
8. State Bank of India Stree Shakti Package
9. Punjab and Sindh Bank Udyogini Scheme
10. Vijaya Bank V Mangala
11. UCO Bank Narol Shakti
12. ICICI Bank Women's Account
13. NABARD Mahima, Arwind
14. Small Industries Development Bank of India MahilaUdyamnidhi

Latest Scheme has been introduced by our PM that is Pradhanamanthri Mudra Yogana. In this we can three categories on the basis of funding, Shishu, Kishor and Tarun. As name itself says budding Growing and for sustaining business can enjoy the financial funding limit start from Rs. 50,000 to 10 lakhs. Many Schemes are available from different banks and government also funding and supporting women entrepreneurs in many ways but awareness is very limited and bank administrative activities are very complicated for availing few of these schemes.

Women training Programme:

Women belonging to vulnerable groups and under difficult circumstances are provided with skill development training to take up self employment in various fields as per their need and interest.

- For Women who are willing to set up small business are provided with necessary training on project report preparation, general accounting, materials management and marketing.
- Widows, destitute Women, Physically handicapped and SC/ST Women are given preference and no income limit is fixed.

- For others, annual family income limit is Rs. 40,000/-
- Age limit is 18 to 45 years.
- Beneficiaries should possess required educational qualification for various skill development training.

Marketing assistance Scheme:

- On the eve of International Women's Day, State level exhibitions are conducted for facilitating budding Women entrepreneurs to exhibit and sell their products. Similar programmes are also conducted at district and taluk level.
- Potential Women entrepreneurs will be encouraged to participate in the State level exhibitions.

1. State Resource Centre (SRC):

Counselling centres are established at district level to guide the Women regarding various government Schemes to help Women to take up self employment along with publicity of KSWDC Schemes and also creating data bank. These centres conduct sensitization-training programs to create awareness among the officers of different departments, college students and elected representatives, regarding gender sensitization, equality and other relevant subjects.

2. Micro Credit:

It is intended to provide interest free loan of Rs. 1.00 lakhs to Rs. 2.00 lakh to StreeShakthi SHGs to establish their own entrepreneurship or smaller unit for taking up the viable economic activities.

3. Chetana (rehabilitation of Sex workers):

Under this Scheme financial assistance of Rs. 50,000/- (Rs. 25,000/- loan and Rs. 25,000/- incentive) is provided to the sex worker for self employment and to lead a decent and dignified life.

4. Rehabilitation of transgender :

In order to bring transgender to the main stream of the society they are provided with financial assistance of Rs. 50,000/- (Rs. 25,000/- loan and Rs. 25,000/- incentive) to take up income generating activities and become self employed.

FINDINGS

- A family obligation is major constraints for their development and holds them back.
- Lack of self-confidence, will-power and optimistic attitude amongst women from committing mistakes while doing their piece of work.
- They are even less educated, economically not stable nor stable which reduces their ability to bear risks and uncertainties involved in business unit.

SUGGESTIONS

- There is a greater need and continuous attempt to inspire, encourage, motivate and co-operate women entrepreneurs.
- SHGs and individual entrepreneurs should be provided with more loans from the government.
- The government should introduce extensive entrepreneurial development program for women.
- Finance should be made available to women entrepreneurs

at a reduced rate of interest.

- Apart from financial assistance government should also give support in terms of moral aid to start women entrepreneurship.
- Support for women entrepreneurship should also be provided from family, society etc.

CONCLUSION

Women entrepreneurs in the recent times have taken challenges and competitions to a whole new level. The role of women entrepreneurs in economic development is greatly recognized and necessary steps are implemented to develop the women entrepreneurs. In India women sector occupies nearly 45% of the Indian population. At this stage, effective steps are needed to provide entrepreneurial awareness, orientation and skill development programs to women. It can be considered that today we are in a better position, where in women participation in the field of entrepreneurship is increasing at a considerable rate. So the government should take more initiatives to light up their facilities or schemes provided to the women entrepreneurs. Women entrepreneurship must be moulded properly with entrepreneurial traits and skills to meet the changes in trends, challenges global markets and also be competent enough to sustain and strive for excellence in the entrepreneurial arena. The unexplored talents of young women can be identified, trained and used for various types of industries to increase the productivity in the industrial sector.

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